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C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 002681

SENSITIVE SIPDIS

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TAGS: PGOV PREL KDEM KIRF CVIS IN

SUBJECT: BJP LEADER NAIDU DISCUSSES ELECTIONS, RELIGIOUS

VIOLENCE, MODI

Classified By: Political Counselor Ted Osius for Reasons 1.4 (B and D)

(C) Summary: Bharatiya Janata Party (BJP) leader Venkaiah Naidu told PolCouns that he expects inflation, terrorism and the crisis in agriculture to be the main issues in the upcoming national elections. He was confident of the BJP winning state assembly elections due in four states this November-December. PolCouns raised concerns about violence against Christians in Orissa and Karnataka. Naidu condemned the violence, saying it has no place in a tolerant, democratic society. He reiterated BJP objections to the revocation of Gujarat Chief Minister Narendra Modi's U.S. visa, noting that a majority of Indians feel that the U.S. position on this issue is unjustified. He claimed that Modi will hold a key position in the next BJP-led central government in New Delhi. senior leader like Naidu to speak of Modi with such enthusiasm and admiration suggests that Modi commands a great deal of clout and respect within the party. End Summa ry.

National Elections: Inflation, Terror, Agriculture

12. (SBU) In a meeting with PolCouns on October 7, senior BJP leader and Member of Parliament Venkaiah Naidu said he expects parliamentary elections to be held in the February-March 2009 time frame but the BJP is ready if they are called earlier. Naidu expects high inflation and interest rates, heightened concerns over terrorism and a growing crisis in agriculture to be the main election themes. He singled out terrorism as an issue of great concern to the electorate and one on which the United Progressive Alliance (UPA) government would suffer because of its weak policies in handling the threat. He argued that the UPA government's desire to appease Muslims for vote bank politics has provoked anger and a backlash from the country's non-Muslim population. He said that terrorists have no religion and political parties, and are "giving a bad name to religious groups." Naidu said the BJP condemned terrorism of every kind whether it was perpetuated by Muslim terrorist or by Hindu. He observed that the BJP was active in trying to forge alliances with regional parties. He felt that Jayalalithaa's All India Anna Dravida Munnetra Kazhagam (AIADMK) in Tamil Nadu is likely to align with the BJP. He said that Chandrababu Naidu's Telugu Desam Party in Andhra Pradesh had told the BJP that it would not enter into a pre-poll understanding with the BJP but will be open to an alliance after the elections.

State Elections: BJP Poised to Win?

- ¶3. (SBU) Naidu was confident that the BJP would win the upcoming state assembly elections due in Rajasthan, Delhi, Madhya Pradesh and Chhattisgarh this November/December. He said that the party has been confident all along of sweeping the polls in Delhi and Chhattisgarh. Sometime ago Mrajasthan and Madhya Pradesh had appeared to be uphill battles against anti-incumbency for his party but now the prospects look very good, he said. Naidu, who is tasked with managing the state assembly election campaigns in these two states, observed that BJP's Rajasthan Chief Minister Vasundhara Raje had surprised many with her deft handling of the highly volatile caste-based preferences issue in that state and by improving the flow of development services to the people.
- 14. (SBU) Naidu commented that incumbent BJP Madhya Pradesh Chief Minister Shivraj Singh Chauhan has quietly emerged as a popular mass leader because he is unassuming and accessible and has put in place some highly effective development programs that link subsidies to improvements in health, education, gender relations. He felt Chauhan should be ranked second after Gujarat's Narendra Modi as the country's most effective Chief Minister. Turning to the most likely Congress candidates in a state where Congress and the BJP go head-to-head, Naidu believes that current GOI Commerce Minister Kamal Nath has only a narrow following in one part of the state and would not be an effective top-of-the-ticket for the Congress Party in Madhya Pradesh. He thinks that Digvijay Singh is the most popular Congress Party leader in the state but has been cut down to size by other prominent party rivals who will resist his leadership

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in the polls.

Religious Violence: No Place in a Democracy

15. (SBU) PolCouns raised concerns about violence against Christians in Orissa and Karnataka, which have BJP/BJP-coalition governments. Naidu said that his party unequivocally condemned violence in the name of religion and that such violence had no place in a tolerant, democratic society. Noting that he had just returned from Orissa, he opined that the violence in the state was socio-economic in nature and had to do with two ethnic groups vying with one another for caste/tribe-based economic and political preferences available under India's affirmative action programs. Naidu blamed the violence in Karnataka on a backlash to the activities of some evangelical churches, particularly the New Life church. He observed that some of these churches distribute literature $\,$ that is highly objectionable to the Hindu community. As examples, he noted, one of New Life church's publications horribly denigrates mythological Hindu deities, calling them children of prostitutes and referring to them as promiscuous philanders. Naidu admitted that some Bajrang Dal activists were to be blamed for some of the attacks on prayer halls in Karnataka. He said that the religious attacks had shifted the debate away from terrorism and terrorist organizations such as the Students Islamic Movement of India and instead was now being focused on calls for bans on the Bajrang Dal and Vishwa Hindu Parishad (VHP). He said that any move to ban Bajrang Dal or the VHP would backfire against the UPA government.

The Future With Modi

16. (SBU) In response to PolCouns' query, Naidu announced that Gujarat Chief Minister Narendra Modi would play a prominent role in the next BJP-led government in Delhi. "He is coming to the center. No one can prevent that," he said firmly. He followed this by reiterating the common BJP (and Indian) objection to the revocation of Modi's U.S. visa. He claimed that most Indians feel that the U.S.

position in this matter is unjustified. Naidu underscored that his protest was on principle alone as Modi has no intention of applying for a U.S. visa. He added that video conferencing today allows Modi to visit his Indian American constituency without a visa.

Comment: An Advani Loyalist

(C) Venkaiah Naidu is a close advisor and confidant of BJP leader L.K. Advani. The fact that the party has trusted him to run state assembly election campaigns in Rajasthan and Madhya Pradesh -- two strategically vital states for the party in the Hindi-speaking heartland -- is a signal that Naidu is considered an important player in the party and will wield important influence on government if the BJP returns to power in Delhi after the next parliamentary elections. The certitude that Naidu displayed in discussing Modi's move to Delhi could be a sign that the decision has already been formally taken, possibly at the BJP's national executive meeting in Bangalore in September. Naidu spoke about Modi with enthusiasm and admiration. For a senior party leader such as Naidu to speak in such a manner suggests that Modi at this time commands a great deal of clout and respect within the party. WHITE